

REVENUE DEPARTMENT[701]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 421.14 and 422.68, the Department of Revenue hereby gives Notice of Intended Action to amend Chapter 6, “Organization, Public Inspection,” Chapter 7, “Practice and Procedure before the Department of Revenue,” and Chapter 8, “Forms and Communications,” Iowa Administrative Code.

These amendments clarify existing rules and provisions related to Department reorganization. In addition, these amendments provide an update to Department practice regarding substitute tax forms.

Items 1 through 4 amend rules 701—6.1(17A), 701—6.2(17A), 701—6.4(17A), and 701—6.5(17A) to reference the new Policy and Communications Division of the Department. In Item 1, several paragraphs from subrule 6.1(3) that describe the organization of the Department are incorporated into subrule 6.1(2). The only substantive changes to the material are in the lists of responsibilities of the Director’s Office and the Compliance Division, the addition of the Policy and Communications Division, and the addition of paragraph letters and numbers to clarify organization.

Item 5 amends subrule 7.50(7) to provide that an order issued in a contested case proceeding by a presiding officer can also be sent by regular mail or by any other method to which the parties may agree.

Item 6 amends rule 701—8.2(17A) to update mailing addresses for corresponding with the Department due to reorganization.

Item 7 amends rule 701—8.3(17A) to remove a reference to a Department publication that no longer exists, update a reference based on Department reorganization, and make other changes regarding the current practice involving the substitution of official forms.

Item 8 amends subrule 8.4(1) to allow substitute forms for sales tax, use tax, local option sales and services tax and hotel/motel tax in limited situations and to make other changes regarding the description of forms provided by the Director of Revenue.

The proposed amendments will not necessitate additional expenditures by political subdivisions or agencies and entities which contract with political subdivisions.

Any person who believes that the application of the discretionary provisions of these amendments would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any.

The Department has determined that these proposed amendments may have an impact on small business. The Department has considered the factors listed in Iowa Code section 17A.4A. The Department will issue a regulatory analysis as provided in Iowa Code section 17A.4A if a written request is filed by delivery or by mailing postmarked no later than November 7, 2011, to the Policy Section, Policy and Communications Division, Department of Revenue, Hoover State Office Building, P.O. Box 10457, Des Moines, Iowa 50306. The request may be made by the Administrative Rules Review Committee, the Administrative Rules Coordinator, at least 25 persons signing that request who each qualify as a small business or an organization representing at least 25 such persons.

Any interested person may make written suggestions or comments on these proposed amendments on or before October 25, 2011. Such written comments should be directed to the Policy Section, Policy and Communications Division, Department of Revenue, Hoover State Office Building, P.O. Box 10457, Des Moines, Iowa 50306. Persons who want to convey their views orally should contact the Policy Section, Policy and Communications Division, Department of Revenue, at (515)281-8450 or at the Department of Revenue offices on the fourth floor of the Hoover State Office Building.

Requests for a public hearing must be received by October 25, 2011.

After analysis and review of this rule making, no adverse impact on jobs has been found.

These amendments are intended to implement Iowa Code chapter 17A.

The following amendments are proposed.

ITEM 1. Amend rule 701—6.1(17A) as follows:

701—6.1(17A) Establishment, organization, general course and method of operations, methods by which and location where the public may obtain information or make submissions or requests.

6.1(1) No change.

6.1(2) *Organization of the department.* The department consists of the office of the director; the following divisions: compliance, property tax, policy and communications, revenue operations, internal services, and technology and information management; and the state board of tax review. For ease of administration, the director has organized the ~~department into~~ department's divisions ~~which are~~ in some instances ~~further divided~~ into bureaus, sections, subsections and units.

a. The office of the director. The office of the director consists of the director and the following areas within this office: strategic planning, internal audit, clerk of the hearing section, public/private partnership, and research and fiscal analysis. The essential functions of the director's office include:

- (1) Overall management of the agency and review of protest and revocation cases on appeal.
- (2) Strategic planning and coordination of the future operations and goals of the department.
- (3) Providing financial checks and balances within the department.
- (4) The clerk of the hearing section receives all protests, tracks protests and coordinates protest processing.

(5) Public/private partnership provides for a working relationship between the public and private sector.

b. Divisions.

(1) Property tax division. The property tax division provides technical assistance and training to local assessing jurisdictions, ensures equal assessment of property, and is responsible for determining valuation for railroads, electric, water, and pipeline companies.

(2) Compliance division. The compliance division includes the examination section, investigative audit section, in-state field offices and out-of-state field offices. The essential functions of the compliance division include:

1. Examination, which includes office examination of returns, assessment, and review and approval of refund claims, and which identifies nonfilers and those that underreport income;

2. Investigative audit, which is responsible for audits for criminal prosecution, reviews cases for potential prosecution and represents the department in criminal proceedings and depositions;

3. In-state field offices, which provide assistance to taxpayers concerning procedure and perform audits; and

4. Out-of-state field offices, which perform audits for all taxes throughout the country from nine locations throughout the United States.

(3) Policy and communications division. The policy and communications division consists of audit services, taxpayer services, policy and tax research and data analysis. The essential functions of the policy and communications division include:

1. Audit services, which includes the development and review of audit programs and completed audits, manuals, and guidelines for auditors, and which coordinates the administrative process of protests and protest resolution;

2. Taxpayer services, which is responsible for responding to inquiries from the public, practitioners and other agencies, drafting brochures and graphics, completing returns, maintaining the department's library and Web page, and coordinating public education by the department;

3. Policy, which is responsible for the interpretation of legislation, statutes and cases, developing and maintaining rules for the department and monitoring tax-related issues considered by the general assembly and the United States Congress. This section also drafts declaratory orders, offers technical advice and completes studies and reports;

4. Tax research and data analysis, which provides research, data information, fiscal analysis and reporting, which includes fact-finding, defining issues, issue resolution, and projection of revenues, and evaluates the fiscal impact of tax legislation and policies on state budget.

(4) Internal services division. The essential functions of the internal services division include:

1. Central accounting, which includes operating budget development, maintenance and reporting; and

2. Employee resource team, which governs personnel activities, payroll, benefits, quality of the environment and customer service.

(5) Technology and information management division. This division consists of information resources management, application design and development, program management, program evaluation, operations, forms management, reporting, and technical planning and support. The essential functions of the technology and information management division include:

1. Application development, which includes system analysis, programming, database administration and support;

2. Forms management, which includes review and performing the function of compliance with federal and state law and managing electronic filing programs; and

3. Technical planning and support, which includes technical support to the agency on software and hardware issues, and which assists in application and development regarding technology-related issues.

(6) Revenue operations division. This division includes collections (accounts receivable, central collections, field office advanced collections), customer accounts, document processing, and data operations and information technology. The essential functions of the revenue operations division include:

1. Collections, which includes accounts receivable, central collections, field office advanced collections and customer accounts;

2. Document processing, which includes preparing tax information for processing, deposits and records; and

3. Data entry, which includes entry of all tax forms, files, and databases, and which edits taxpayer documents and mailing information.

6.1(3) *Methods by which and location where the public may obtain information or make submissions or requests.* The department of revenue maintains its principal office in the Hoover State Office Building, 1305 East Walnut Street, P.O. Box 10460, Des Moines, Iowa 50306.

a. Principal office. Members of the public wishing to obtain information or make submissions or requests on any matters may do so at the department's principal office. Applications for permits or licenses may be obtained and submitted at the principal office, and any assistance needed in filling out the applications will be provided if the taxpayer so desires. Requests for confidential information should be submitted to the director, and the appropriate form will be provided and should be filled out and submitted to the director. Members of the public wishing to inspect information required to be made available to members of the public may do so in the director's office.

b. Regional offices. Regional offices do not have facilities for making available all matters that are available for public inspection under 701—6.2(17A). The regional offices and auditors do have copies of all rules and will make them available to the public. Members of the public needing forms or needing assistance in filling out forms are encouraged to contact the principal office.

DEPARTMENT OF REVENUE

The department consists of the office of the director; the following divisions: compliance, property tax, revenue operations, internal services, and technology and information management; and the state board of tax review.

THE OFFICE OF THE DIRECTOR

The office of the director consists of the director and the following areas within this office: strategic planning, internal audit, clerk of the hearing section, public/private partnership and research and fiscal analysis.

Essential Functions of the Director's Office:

1. ~~The director's office provides overall management of the agency and reviews protest and revocation cases on appeal.~~
2. ~~The strategic planning function plans and coordinates the future operations and goals of the department.~~
3. ~~The director's office provides financial checks and balances within the department.~~
4. ~~The clerk of the hearing section receives all protests, tracks protests and coordinates protest processing.~~
5. ~~Public/private partnership provides for a working relationship between the public and private sector.~~
6. ~~The director's office provides research and data information.~~
7. ~~The director's office provides fiscal analysis and reporting, which includes fact-finding, defining issues, issue resolution, and projection of revenues, and evaluates the fiscal impact of tax legislation and policies on state budget.~~

~~PROPERTY TAX DIVISION~~

~~The property tax division provides technical assistance and training to local assessing jurisdictions, ensures equal assessment of property, and is responsible for determining valuation for railroads, electric, water, and pipeline companies.~~

~~COMPLIANCE DIVISION~~

~~The compliance division includes the examination section, audit services, taxpayer services, policy section, investigative audit section, in-state field offices and out-of-state field offices.~~

~~Essential Functions of the Compliance Division:~~

1. ~~Examination, which includes office examination of returns, assessment, and review and approval of refund claims, and which identifies nonfilers and those that underreport income;~~
2. ~~Audit services, which includes the development and review of audit programs and completed audits, manuals, and guidelines for auditors, and which coordinates the administrative process of protests and protest resolution;~~
3. ~~Taxpayer services, which is responsible for responding to inquiries from the public, practitioners and other agencies, and drafting brochures and graphics, completes returns, maintains library and Web page, and coordinates public education by the department;~~
4. ~~Policy, which is responsible for the interpretation of legislation, statutes and cases, develops and maintains rules for the department and monitors tax-related issues considered by the general assembly and the United States Congress. This section also drafts declaratory orders, offers technical advice and completes studies and reports;~~
5. ~~Investigative audit, which is responsible for audits for criminal prosecution, reviews cases for potential prosecution and represents the department in criminal proceedings and depositions;~~
6. ~~In-state field offices provide assistance to taxpayers concerning procedure and perform audits; and~~
7. ~~Out-of-state field offices perform audits for all taxes throughout the country from nine locations throughout the United States.~~

~~INTERNAL SERVICES DIVISION~~

~~Essential Functions of the Internal Services Division:~~

1. ~~Central accounting, which includes operating budget development, maintenance and reporting; and~~
2. ~~Employee resource team, which governs personnel activities, payroll, benefits, quality of the environment and customer service.~~

~~TECHNOLOGY AND INFORMATION MANAGEMENT DIVISION~~

~~This division consists of information resources management, application design and development, program management, program evaluation, operations, forms management, reporting, and technical planning and support.~~

~~Essential Functions of the Technology and Information Management Division:~~

1. ~~Application development, which includes system analysis, programming, database administration and support;~~

~~2.—Forms management, which includes review and performing the function of compliance with federal and state law and managing electronic filing programs; and~~

~~3.—Technical planning and support, which includes technical support to the agency on software and hardware issues, and which assists in application and development regarding technology-related issues.~~

REVENUE OPERATIONS DIVISION

~~This division includes collections (accounts receivable, central collections, field office advanced collections), customer accounts, document processing, and data operations and information technology. Essential Functions of the Revenue Operations Division:~~

~~1.—Collections, which includes accounts receivable, central collections, advanced collection field offices and customer accounts;~~

~~2.—Document processing, which includes preparing tax information for processing, deposits and records; and~~

~~3.—Data entry, which includes entry of all tax forms, files, and databases, and which edits taxpayer documents and mailing information.~~

This rule is intended to implement Iowa Code sections 421.1, 421.2, 421.9, 421.14, 421.17, 422.1 and 422.72 and 2003 Iowa Acts, chapter 178, sections 66 through 121.

ITEM 2. Amend rule **701—6.2(17A)**, last unnumbered paragraph, as follows:

All information accorded public inspection treatment shall be made available for inspection in the office of the Policy Section, Compliance Policy and Communications Division, Department of Revenue, Hoover State Office Building, P.O. Box 10457, Des Moines, Iowa 50306, during established office hours.

ITEM 3. Amend rule 701—6.4(17A) as follows:

701—6.4(17A) Copies of proposed rules. A trade or occupational association, which has registered its name and address with the department of revenue, may receive, by mail, copies of proposed rules. Registration of the association's name and address with the department is accomplished by written notification to the Administrator, Compliance Policy and Communications Division, Department of Revenue, Hoover State Office Building, Fourth Floor, P.O. Box 10457, Des Moines, Iowa 50319. In the written notification, the association must designate, by reference to rule 701—7.36(421,17A), the type of proposed rules and the number of copies of each rule it wishes to receive. If the association wishes to receive copies of proposed rules not enumerated in rule 701—7.36(421,17A), it may make a blanket written request at the time of registration or at any time prior to the adoption of such rules. A charge of 20 cents per single-sided page shall be charged to cover the actual cost of providing each copy of the proposed rule. In the event the actual cost exceeds 20 cents for a single-sided page, it will be billed accordingly.

This rule does not prevent an association which has registered with the department in accordance with this rule from changing its designation of types of proposed rules or number of copies of proposed rules which the association desires to receive. If an association makes such changed designation, it must do so by written notification to the Administrator, Compliance Policy and Communications Division, Department of Revenue, Hoover State Office Building, Fourth Floor, P.O. Box 10457, Des Moines, Iowa 50319.

This rule is intended to implement Iowa Code section 17A.4 as amended by 1998 Iowa Acts, chapter 1202.

ITEM 4. Amend rule 701—6.5(17A) as follows:

701—6.5(17A) Regulatory analysis procedures. Any small business as defined in Iowa Code section 17A.4A [~~1998 Iowa Acts, chapter 1202, section 10~~] or organization of small businesses which has registered its name and address with the department of revenue shall receive by mail a copy or copies of any proposed rule which may have an impact on small business. Registration of the business's or organization's name and address with the department is accomplished by written notification to the Policy Section, Compliance Policy and Communications Division, Department of Revenue, Hoover State Office Building, P.O. Box 10457, Des Moines, Iowa 50306. In the written notification, the business

or organization must state that it wishes to receive copies of rules which may have an impact on small business, the number of copies of each rule it wishes to receive, and must also designate, by reference to rule 701—7.36(421,17A), the types of proposed rules it wishes to receive. If the small business or organization of small businesses wishes to receive copies of proposed rules not enumerated in rule 701—7.36(421,17A), it may make a blanket written request at the time of registration or at any time prior to the adoption of the rules. A charge of 20 cents per single-sided page shall be imposed to cover the actual cost of providing each copy of the proposed rule. In the event the actual cost exceeds 20 cents for a single-sided page, it will be billed accordingly.

The administrative rules review committee, the administrative rules coordinator, at least 25 persons signing that request who qualify as a small business, or an organization representing at least 25 such persons may request issuance of a regulatory analysis by writing to the Policy Section, Compliance Policy and Communications Division, Department of Revenue, Hoover State Office Building, Des Moines, Iowa 50319. The request shall contain the following information: the name of the persons qualified as a small business and the name of the small business or the name of the organization as stated in its request for registration and an address; if a registered organization is requesting the analysis, a statement that the registered organization represents at least 25 persons; the proposed rule or portion of the proposed rule for which a regulatory analysis is requested; the factual situation which gives rise to the business's or organization's difficulties with the proposed rule; any of the methods for reducing the impact of the proposed rule on small business contained in Iowa Code section 17A.4A [~~1998 Iowa Acts, chapter 1202, section 10~~] which may be particularly applicable to the circumstances; the name, address and telephone number of any person or persons knowledgeable regarding the difficulties which the proposed rule poses for small business and other information as the business or organization may deem relevant.

This rule is intended to implement Iowa Code section 17A.4A [~~1998 Iowa Acts, chapter 1202~~].

ITEM 5. Amend subrule **7.50(7)**, seventh unnumbered paragraph, as follows:

Orders will be issued within a reasonable time after termination of the hearing. Parties shall be promptly notified of each order by delivery to them of a copy of the order by personal service, regular mail, or certified mail, return receipt requested, except in the case of an order revoking a sales or use tax permit or a motor fuel license which may be delivered by ordinary mail or any other method to which the parties may agree. For example, a copy of the order can be submitted by electronic mail if both parties agree.

ITEM 6. Amend rule 701—8.2(17A) as follows:

701—8.2(17A) Official forms. The department and the director have developed and provide or prescribe many official forms designed to help persons exercise their rights and discharge their duties under the tax laws and rules, to explain tax laws and rules, to assist in the administration of tax laws and rules, and to assist in general financial administration. Communications with the department, for which official forms have been created, shall be carried out using those forms or approved substitutes. Each direction of every instruction contained within or accompanying official forms shall be followed, and each question within or accompanying every form shall be answered as if the instructions and forms were contained in these rules.

Copies of all official forms, instructions and communication formats may be obtained from the Iowa Department of Revenue, Taxpayer Services Section Policy and Communications Division, Hoover State Office Building, P.O. Box 10457, Des Moines, Iowa 50306; ~~from the department's various field offices located throughout the state~~; by telephoning (800)367-3388 or (515)281-3114 (for large orders of forms: (515)281-5370 (800)532-1531); or by faxing (515)242-6040 or ~~by using the fax-on-demand system (800)572-3943 on the department's Web site at www.iowa.gov/tax.~~

8.2(1) Nature of official forms. Most, but not all, official forms are on paper. As prescribed by the director, communication means other than paper documents may be used for official forms.

8.2(2) Mailing addresses. The following post office box numbers should be used when corresponding with the department. All addresses are completed: Des Moines, Iowa 50306.

Box Number	Addressee
<u>1792</u>	<u>Individual Income Tax Returns</u>
<u>9187</u>	<u>Motor Vehicle Fuel Tax Returns</u>
<u>10306</u>	<u>Deposit Unit</u>
10411	Withholding — Other than High Dollar <u>Tax Returns</u>
10412	<u>Sales and Use Tax Returns</u> — Other than High Dollar
10413	Revenue Operations <u>Real Estate Transfer</u> <u>Accounts and Finance</u> <u>Receiving Unit</u> <u>Records</u> <u>Electronic Funds Transfer Registration</u> <u>Treasurers' Monthly Use Tax</u> <u>Franchise Estimates Tax Returns and Estimated Payments</u> <u>Cigarette Tax Inventories</u>
10455	<u>Insurance Premiums Tax</u> <u>Household Hazardous Materials</u> <u>Environmental Protection Charge</u>
10456	<u>Compliance Division</u> <u>Examination Section</u> <u>Investigative Audit</u> <u>Audit Services</u> <u>Motor Fuel Refund</u> <u>Cigarette and Tobacco</u> <u>Tax Returns and General Mail</u>
10457	Technical Services <u>Policy and Communications Division</u> <u>Policy</u> <u>Taxpayer Services</u>
10458	<u>Field Services</u>
10459	<u>Property Tax Credit</u> <u>Rent Reimbursement Claims</u>
10460	Department of Revenue <u>Internal Services Division</u> <u>Technology and Information Management Division</u> <u>Administration</u> <u>Information and Management Services</u> <u>Local Government Services</u> <u>Clerk of the Hearing Section</u>

Box Number	Addressee
10462	Sales Tax Return—High Dollar
10463	Withholding—High Dollar
10464	Collections
<u>10465</u>	<u>Revenue Operations Division</u> <u>Customer Accounts</u> <u>Registration Services</u>
10466	Individual Estimates <u>Estimated Payments</u>
10467	Fiduciary and Inheritance <u>Tax</u>
10468	Corporation <u>Income Tax Returns and Estimated Payments</u> Corporation Returns Corporation Estimates
10469	Consumer-Use <u>Property Tax</u>
10470	Retailers' Use Tax <u>Withholding—Verified Summary of Payments Report</u>
10471	Accounts Receivable Pre-edit Collections
10472	<u>Priority Handling Hearings Section</u> Hearing Officer Cigarette Stamp Orders

This rule is intended to implement Iowa Code paragraph 17A.3(1) “b.”

ITEM 7. Amend rule 701—8.3(17A) as follows:

701—8.3(17A) Substitution of official forms. This rule is to provide guidance for the use of other than official forms, whether they ~~use~~ are on paper, are computer-generated, or are created using other media for communication. Approval shall be obtained prior to use of computer forms, replacement forms, reproduced forms, facsimile forms, or any other forms not ~~designed~~ provided by the department. The director reserves the right to make changes to forms when needed without prior notification to users of forms. The director also reserves the right to require use of official forms in communications with the department concerning tax administration or other matters.

8.3(1) Types of substitute forms. Many types of forms may, upon approval, be substituted for official forms. Descriptions of a partial list follow.

a. Reproduced forms. Reproduction (photocopy reprinting) of Iowa tax forms may be accomplished without prior approval of the department provided the following conditions are met:

(1) There is no variation from the official copy or format provided by the department, including reduction and enlargement or other format specification.

(2) Reprinting, copying, or reproduction of the form is not prohibited by another rule within this chapter.

(3) Reprinting or reproduction of the form does not vary from criteria stated elsewhere in this chapter.

b. Replacement forms. Replacement forms are forms which are ~~retypeset~~, produced by imagery, or otherwise replicated using the department official form as a model. These forms may include facsimiles of department forms that have been modified by the addition of ~~pin-feeds~~, line enlargements, copy deletion, or any other modifications. ~~All replacement forms must be submitted to the department for approval prior to use.~~

c. Computer-generated forms. Computer-generated forms are forms that are created in their entirety, including layout, by the computer. These forms must be a facsimile of the official form that it is meant to replace. ~~Also, computer-generated forms must have prior approval of the department before the form will be accepted for processing.~~

d. Federal forms. Federal forms, or their alternates, do not require prior approval for use provided the form is approved for federal use and Iowa tax instructions or other administrative instructions authorize or require the use of federal forms in lieu of official Iowa forms.

e. ~~Magnetic tape, diskette, Removable media and electronic reporting.~~ Any ~~use of magnetic tape, diskettes, removable media, such as compact discs, or any electronic transmission in other than official form requires prior approval of the department. No prior approval is necessary for submission of magnetic tape and diskette reports compact discs for certain information reporting when they are submitted in accordance with the department policy. Information concerning the submission of magnetic tape and diskettes is found in department publication, "State of Iowa Income Information Return Reporting Guidelines," which is available from Taxpayer Services Section, P.O. Box 10457, Des Moines, Iowa 50306, or by telephone at (515)281-3114. To obtain additional information regarding the submitting of magnetic tapes, diskettes or other electronic reporting, please contact the Technology and Information Management Division, P.O. Box 10460, Des Moines, Iowa 50306.~~

8.3(2) *Approval of substitute forms.* Prior approval of substitute forms may be obtained by writing ~~Information and Management Services Technology and Information Management Division, P.O. Box 10460, Des Moines, Iowa 50306, by telephoning (515)281-5777, or, by faxing (515)242-6040; or by a PDF submission via E-mail to IDRSUBForms@iowa.gov. Fax communication or PDF submissions via E-mail to the department of approval requests are acceptable only in limited circumstances because approval of substitute paper document forms requires receipt by the department of a sample of the actual substitute form before approval can be provided. Normally, approval will be granted for use of substitute forms for one year only. Those forms listed on the substitute forms checklist should be submitted for approval. If doubt exists about the need for approval of a particular substitute form, the form should be submitted for consideration.~~

8.3(3) *Failure to obtain required approval.* ~~Other than official or approved forms~~ Forms filed with the department ~~that are not official or approved~~ may be returned at the discretion of the director.

8.3(4) *Forms that may not be reproduced.* Certain forms supplied by the department shall not be duplicated or reproduced because of special processing requirements for the forms. These forms will normally have an optical scan line with special characters or print to ensure that automated processing equipment accurately credits the proper accounts. Exceptions to allow reproduction may occur on a limited basis with the consent of the department. The requestor must demonstrate compatibility with and meet all requirements and standards of the department to ensure proper and accurate processing of the form by the department. The department, at its option, may provide an explanation as to why a form is not acceptable, but is not required to do so. Forms that may not be reproduced, except as provided for above, include ~~but are not limited to:~~

a. ~~Sales/use tax returns.~~

b. ~~Withholding tax returns.~~

c. ~~Annual withholding verified summary of payments forms.~~

d. ~~Department department-generated accounts receivable notices.~~

8.3(5) *General information.* The following general information is applicable to all reproduced, replacement, or computer-generated forms:

a. Paper. Paper must be of at least equal quality to stock used by the department for official forms. Carbon-bonded paper is prohibited for all forms. Colored paper should be used for all forms substituting for official paper forms unless paper used is of the identical color of an official paper form.

b. Ink and imaging material. Black ink or black imaging material should be used in the printing or duplication of all substitute forms using on paper.

c. Size. ~~Reproduced or computer-generated paper~~ Paper forms must be the same size as the official form.

d. Legibility. All forms must have a high standard of legibility.

e. Distinctive markings and symbols. Some official forms contain distinctive symbols. These symbols must be reproduced on other than official forms.

f. Labels. Preprinted labels furnished by the department should be affixed to returns submitted to the department.

g. Accuracy of reproduction. Forms submitted for approval should be a facsimile of the official form. No variation from the official form will be allowed for forms which are identified as returns.

This rule is intended to implement Iowa Code paragraph 17A.3(1) "b."

ITEM 8. Amend subrule 8.4(1) as follows:

8.4(1) Tax forms. Taxes administered by the department that require forms are listed in the following lettered paragraphs:

a. to h. No change.

i. Individual income tax withholding ~~returns and annual withholding verified summary of payments forms~~ payment voucher systems have forms designed by the department. ~~No~~ Approved substitute forms may be used.

j. No change.

k. Sales and use tax returns and payment voucher systems have forms designed by the department. ~~No~~ Approved substitute forms may be used in limited situations.

l. Local option sales and services tax and hotel/motel tax systems have forms designed by the department. Approved substitute forms may be used in limited situations.

m. No change.

n. Motor ~~vehicle~~ fuel tax returns systems have forms designed by the department. Approved substitute forms may be used.

o. to bb. No change.